



Decide with Confidence

# Dun & Bradstreet INSIGHT: GCC Stock Markets

February 2009

## Weak sentiments continue to batter world stock markets

The stock markets across the world continued to reel under selling pressure as bearish outlook of the global economy kept investors at bay. The performance of most of the major world stock markets largely remained range bound as risk appetite was missing in light of the deteriorating state of the global economy.

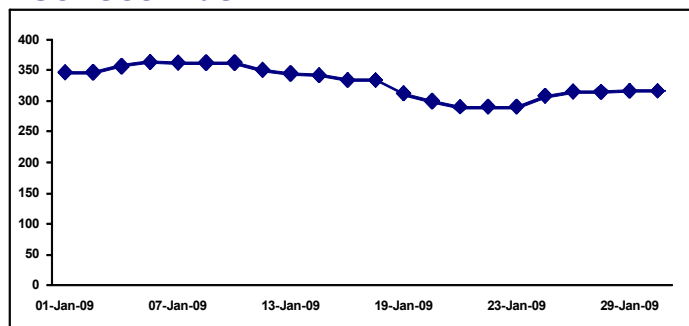
A short term buying spree was witnessed around the globe as the new President of the United States announced taking swift measures to boost the world's biggest economy. The momentum was further supported by the United Kingdom unveiling a new rescue plan which will require the lenders to identify their most risky assets which they could then insure with the government for a fee. The move is expected to relieve the banking sector from the toxic assets which are blocking the banks balance sheet and affecting the lending activity. However, profit booking took global stock markets down again, with a continuous flow of weak economic data further hurting investors' sentiments.

The movement of GCC stock markets remained aligned with international peers as some buying activity was

witnessed with oil prices surging above US\$ 40 per barrel. In order to increase liquidity in the financial system, the Central Bank of UAE and Saudi Arabia introduced new set of interest rate cuts aimed at improving confidence in the fundamentals of their respective economies. The sentiments however, turned sluggish with poor fourth quarter earnings announcements by a few of the major regional companies. The weak outlook continued to play havoc for banking and real estate stocks with concerns of low liquidity in the international markets affecting their growth prospects in the medium term.

The expectations of the global economic recovery are high with the US government working on a new stimulus package to revive its economy from one of the most severe recessions hitting the nation in the past few decades. The rescue plan will be focused on tax cuts and infrastructure spending in order to boost the consumer demand which has hit a multi year low in the world's largest economy. The investors are also expected to take cues from various governments across the world, who are taking measures to boost lending in their economies in order to start the flow of credit into different sectors.

## MSCI GCC Index



## GCC Indices

Market	31 Jan	31 Dec	%MTD	Mkt Cap (US\$bn)*
ADXGI	2,255.85	2,390.01	-5.61	57
BASI	1,654.96	1,804.07	-8.27	19
DFMGI	1,520.24	1,636.29	-7.09	34
DSM20	5,253.03	6,886.12	-23.72	59
KSEMI	6,764.50	7,782.60	-13.08	89
MSM30	4,813.51	5,441.12	-11.53	14
TASI	4,808.90	4,802.99	0.12	246

\* - As on 31 January 2009

## Commodities

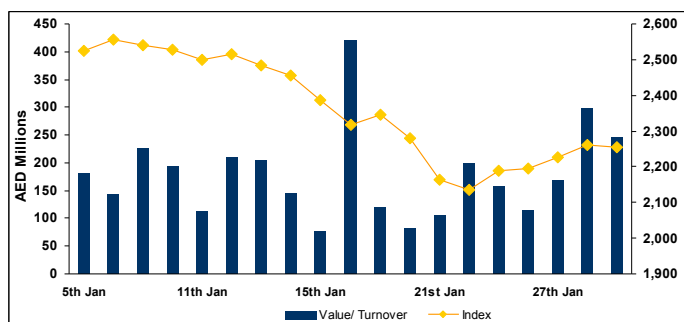
US\$ per barrel	31 Jan	31 Dec	%MTD	%YTD
OPEC Basket	42.04	35.58	18.16	18.16
US\$ per ounce			%MTD	%YTD
Gold	927.30	883.60	4.95	4.95
US\$ per tonne			%MTD	%YTD
Aluminium	1,346	1,496	-10.01	-10.01
Copper	3,148	2,935	7.24	7.24
Steel	281	335	-16.27	-16.27

## World Indices

Market	31 Jan	31 Dec	%MTD	%YTD
DJIA	8,000.86	8,776.39	-8.84	-8.84
FTSE	4,149.60	4,434.20	-6.42	-6.42
KOSPI	1,162.11	1,124.47	3.35	3.35
NASDAQ	1,476.42	1,577.03	-6.38	-6.38
NIFTY	2,874.80	2,959.15	-2.85	-2.85
NIKKEI	7,994.05	8,859.56	-9.77	-9.77
SSE	1,880.72	1,820.81	3.29	3.29



## ADX General Index



## Insight

The performance of ADX remained in line with other GCC peers as the benchmark index declined by 5.04% during the month. The selling pressure continued on the real estate sector with the sectoral index declining by 23% despite the Government of Abu Dhabi affirming the sustainability of all its existing real estate projects. The banking sector was the second biggest loser during the month shrugging 10.90% in spite of the Central Bank of UAE reducing the benchmark repo rate by 50 basis points to 1% in order to boost liquidity by making more funds available with the banks.

## Recent News

- Aldar Properties reported earnings of AED 3.45 bn for the year ended 31 December 2008 as compared to AED 1.94 bn for the previous period.
- Waha Capital reported earnings of AED 40 mn for the year ended 31 Dec 2008 down from AED 170 mn for the previous period.
- The Ras Al Khaimah Cement Company acquired a 20% stake in Reem Ready Mix Company at a cost of AED 40 mn.
- Finance House reported earnings of AED 248 mn for the year ended 31 Dec 2008. This is a 22.70% increase over the previous period earnings.
- The BOD of Union Cement Company has proposed a distribution of 5% bonus share subject to the general meeting's approval.
- Emirates Telecommunications Corporation announced that along with Tamin Telecom (Iran), it has been awarded the third mobile network license in Iran for an amount of EURO 300 mn. Tamin Telecom will pay 51% of the amount and the balance 49% will be paid by Emirates Telecommunications Corporation.
- First Gulf Bank (FGB) and five regional and international banks have come together to sign a 20

## Sectoral Trends

Sector	31 Jan	31 Dec	%MTD	%YTD
General Index	2,255.85	2,390.01	-5.61	-5.61
Bank & Fin Svcs	2,823.21	3,168.59	-10.90	-10.90
Real Estate	389.59	507.01	-23.16	-23.16
Consumer	1,250.75	1,175.05	6.44	6.44
Construction	4,505.57	4,450.83	1.23	1.23
Industrial	2,341.38	2,195.41	6.65	6.65
Telecom	1,722.75	1,693.77	1.71	1.71
Health Care	1,336.45	1,365.04	-2.09	-2.09
Energy	118.40	122.11	-3.04	-3.04
Insurance	3,423.61	3,499.80	-2.18	-2.18

year US\$ 323 mn syndicated loan with Mubadala Development Company. FGB will provide 25% of the total project value.

- Dana Gas announced the discovery of gas and condensate at the El Basant-2 well and Salma-1 well in the Nile Delta Concession in Egypt. The additional reserves of gas in both these wells will exceed 130 billion cubic feet and 150 billion cubic feet respectively.

## Gainers

Company	31 Jan	31 Dec	Change	%Chg
Abu Dhabi Aviation	2.15	1.55	0.60	38.71
RAK Cem Co	1.10	0.81	0.29	35.80
Methaq Takaful Ins	3.71	2.88	0.83	28.82
Commercial Bk Int.	2.08	1.65	0.43	26.06
AbuDhabi Ship Bldg	4.19	3.47	0.72	20.75

## Losers

Company	31 Jan	31 Dec	Change	%Chg
Nat. Bank of RAK	3.55	6.75	-3.20	-47.41
Bank of Sharjah	1.24	2.32	-1.08	-46.55
ALDAR Properties	2.55	3.97	-1.42	-35.77
Union Cem Co	2.34	3.10	-0.76	-24.52
Qatar Telecom	90.20	117.90	-27.70	-23.49

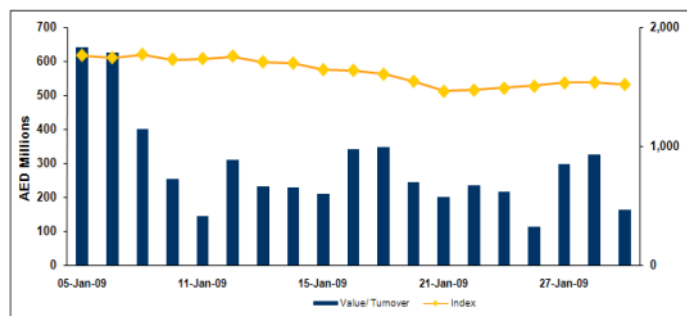
## Most Active by Volume

Company	Volume	CMP (AED)	%Chg
ALDAR Prop.	377,685,568	2.55	-35.77
Dana Gas	282,603,171	0.55	-6.78
Sorouh Real Est	148,083,037	2.88	-8.86
RAK Properties	108,941,657	0.48	-7.69
Sharjah Islamic Bk	78,447,723	0.86	-6.52

## Most Active by Value

Company	Value (AED)	CMP (AED)	%Chg
ALDAR Properties	1,124,819,945	2.55	-35.77
Sorouh Real Est	494,448,638	2.88	-8.86
Arkan Bldg Mat.	342,605,533	6.23	3.49
First Gulf Bank	289,582,293	7.34	-19.78
Etisalat	202,631,199	10.10	1.71

## DFM General Index



## Insight

The DFM index declined by 7.09% during the past month in spite of the Government of Dubai announcing a 42% increase in budget expenditure for the fiscal year 2009. The Investments and Financial Services sector shrugged 18.45% with growing concerns over the write downs on investment portfolios of the financial firms. The shares of Arabtec holdings lost 48.60% after the company announced a delay of its "Atrium project" by a year. The healthy annual results posted by Deyaar Properties also didn't cheer the markets as the real estate sectoral index declined by 15.4% during the month.

## Recent News

- BOD of Dubai Insurance Company has proposed distribution of AED 3 per share cash dividend for the year ended 31 December 2008, which awaits the AGM's approval.
- National Central Cooling Company's Board of Directors met and approved signing of a loan agreement with Standard Chartered Bank.
- National Cement Company is to hold an AGM to approve the distribution of AED 0.45 per share cash dividend for the year ended 31 December 2008.
- Deyaar Development Company announced earnings of AED 343 mn for the three month period ended 31 December 2008 (Q4 2008) compared to earnings of AED 216 mn for Q4 2007.
- On 25 January 2009, Union Properties EGM was held which approved the issuance of AED 2.50 bn non-convertible bonds to strategic investors.
- Emaar Properties is planning to set up a US\$ 2 bn Euro-Medium Term Note Program, which awaits the AGM's approval. HSBC Holding and Royal Bank of Scotland Group were appointed as lead arrangers for the Sukuk. The issuance of conventional notes under the program will be undertaken by the company's fully owned subsidiary, Emaar Finance Limited.

## Sectoral Trends

Sector	31 Jan	31 Dec	%MTD	%YTD
General Index	1,520.24	1,636.29	-7.09	-7.09
Banking	1,097.21	1,096.75	0.04	0.04
Investment	1,981.84	2,430.34	-18.45	-18.45
Insurance	3,184.62	3,336.06	-4.54	-4.54
Real Estate	2,009.26	2,375.93	-15.43	-15.43
Transportation	390.99	378.68	3.25	3.25
Materials	199.28	247.45	-19.47	-19.47
C Staples	456.00	396.00	15.15	15.15
Telecom	323.62	351.13	-7.83	-7.83
Utilities	865.38	937.50	-7.69	-7.69

- Al Sagr National Insurance Company's AGM will be held to approve the distribution of 15% bonus shares.
- Gulf General Investment Company's Board of Directors met and proposed the distribution of 35% bonus shares, which awaits the AGM's approval.
- Aramex announced that its fully owned subsidiary, InfoFort (UAE), will fully acquire Metrofile Middle East (UAE).

## Gainers

Company	31 Jan	31 Dec	Change	%Chg
Grand Real Estate	1.88	1.00	0.88	88.00
SHUAA Capital	1.24	1.00	0.24	24.00
Arab Insurance Grp	2.73	2.30	0.43	18.70
Alfirdous Holding	1.40	1.20	0.20	16.67
Jeema Mineral Wtr	4.56	3.96	0.60	15.15

## Losers

Company	31 Jan	31 Dec	Change	%Chg
Global Invst House	3.48	7.22	-3.74	-51.80
Ekttitab Holding Co	0.65	1.29	-0.64	-49.61
Arabtec Holding Co	1.16	2.26	-1.10	-48.67
Gulf Gen Invstmnt	3.60	5.45	-1.85	-33.94
Dubai Fin Market	0.87	1.25	-0.38	-30.40

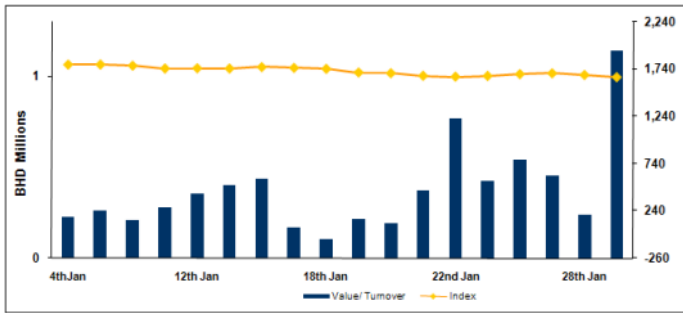
## Most Active by Volume

Company	Volume	CMP (AED)	%Chg
Dubai Fin Market	855,234,764	0.87	-30.40
Arabtec Holding Co	791,329,028	1.16	-48.67
EMAAR Properties	763,819,040	1.96	-13.27
Air Arabia	358,754,527	0.94	5.62
DEYAAR	342,570,907	0.53	6.00

## Most Active by Value

Company	Value (AED)	CMP (AED)	%Chg
EMAAR Properties	1,744,729,392	1.96	-13.27
Arabtec Holding Co	1,235,472,121	1.16	-48.67
Dubai Fin Market	957,551,136	0.87	-30.40
Air Arabia	335,459,598	0.94	5.62
Dubai Islamic Bank	221,401,845	1.76	6.02

## BSE General Index



## Insight

The BSE index retreated by 8.27% last month. Market breadth remained bearish with the number of losers outperforming the number of gainers in the ratio 20:3 while 28 scrips ended flat. All the sectoral indices, except the hotels & tourism sector, closed in the negative territory. The commercial banks and the investment sector stocks were the prime drivers of this month's plunge as they retreated by 14% and 7% respectively. United Gulf Bank was the biggest gainer after the company announced the sale of 43.86% of its stake in Jordan Kuwait Bank to Burgan Bank of Kuwait.

## Recent News

- Khaleeji Commercial Bank announced consolidated earnings of BHD 27 mn for the period ended 31 December 2008 against the earnings of BHD 21 mn for the same period in the previous year. The bank's BOD proposed the distribution of 5% bonus shares along with BHD 0.015 per share cash dividend for the year ended 31 December 2008.
- Investcorp Bank announced that its subsidiary, American Tire Distributor, has acquired Am-Pac Tire (California) for a sum of US\$ 75 mn.
- Al Salam Bank proposed the distribution of 10% cash dividend for the year ended 31 December 2008. The board also announced re-appointment of external auditors for the year 2009.
- Esterad Investment Company proposed the distribution of BHD 0.015 per share cash dividend for the year ended 31 December 2008.
- Bahrain Islamic Bank proposed the distribution of 10% cash dividends and 10% bonus shares.
- Bahrain Telecommunications Company disclosed consolidated corporate earnings of BHD 108 mn for the period ended 31 December 2008 as compared to BHD 104 mn for the corresponding period in the previous year. The company proposed the

## Sectoral Trends

Sector	31 Jan	31 Dec	%MTD	%YTD
General Index	1,654.96	1,804.07	-8.27	-8.27
Commercial Banks	1,816.21	2,117.04	-14.21	-14.21
Investment	1,472.05	1,582.53	-6.98	-6.98
Insurance	2,256.79	2,275.97	-0.84	-0.84
Services	1,607.38	1,638.30	-1.89	-1.89
Industrial	1,250.91	1,273.93	-1.81	-1.81
Hotels & Tourism	2,859.52	2,848.57	0.38	0.38

distribution of BHD 0.03 per share cash dividend for the six-month period ended 31 December 2008.

- Al Baraka Banking Group has received the approval from the Syrian Council of Ministers and Central bank of Bahrain to establish Al Baraka Bank Syria, an Islamic bank in Syria. The new bank has an authorized capital of US\$ 100 mn, of which Al Baraka Banking Group owns 49%, and the rest will be owned by Syrian investors.
- Innovative Investments announced its official conversion into a Shariah compliant investment company.
- Bahrain Telecom Co. acquires 49% shareholding in Indian mobile operation S Tel for US\$ 225 mn.

## Gainers

Company	31 Jan	31 Dec	Change	%Chg
United Gulf Bank	0.610	0.575	0.035	6.09
National Hotels Co	0.445	0.420	0.025	5.95
Bahrain Telecom	0.630	0.626	0.004	0.64

## Losers

Company	31 Jan	31 Dec	Change	%Chg
INVEST Co	\$0.690	\$1.080	-0.390	-36.11
Esterad Inv Co	0.269	0.400	-0.131	-32.75
Al Ahli United Bank	\$0.450	\$0.630	-0.180	-28.57
Nass Corp	0.180	0.250	-0.070	-28.00
Ithmaar Bank	\$0.190	\$0.260	-0.070	-26.92

## Most Active by Volume

Company	Volume	CMP (BHD)	%Chg
Al Salam Bank	16,312,883	0.090	0.00
Gulf Finance House	8,972,922	\$0.800	-13.04
Ithmaar Bank	2,877,867	\$0.190	-26.92
Khaleeji Comm Bk	1,401,717	0.180	-5.26
Bahrain Telecom	1,181,348	0.630	0.64

## Most Active by Value

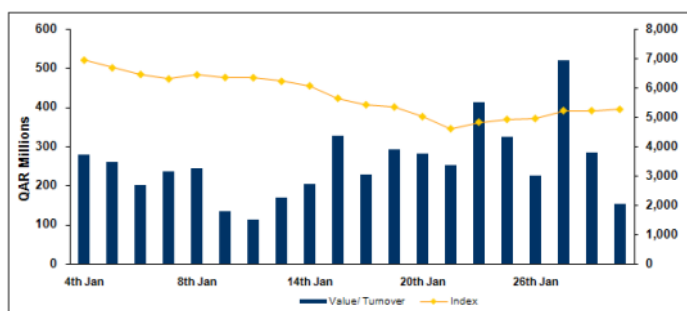
Company	Value (BHD)	CMP (BHD)	%Chg
Gulf Finance House	2,621,965	\$0.800	-13.04
Al Salam Bank	1,501,273	0.090	0.00
Bahrain Telecom	751,199	0.630	0.64
Khaleeji Comm Bk	244,910	0.180	-5.26
Esterad Inv Co	241,099	0.269	-32.75



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# Doha Securities Market (DSM)

## DSM General Index



## Insight

The benchmark DSM20 index shrugged 23.72% during the month as negative sentiments continued to affect the gas rich nation. The industry and banking sector were the worst hit, receding by 24.68% and 23.77% respectively. The Commercial Bank of Qatar posted a fall of 63% in Q4 2008 net profits to QAR 140 mn from a year earlier, further supporting the market's south bound path. The market was in favor of decliners with none of the sectoral indices being able to buck the negative trend. The market capitalization of the Qatar Stock Exchange stood at US\$ 56 bn, down 27.2% from a month earlier.

## Recent News

- According to IMF, after posting a growth of 16% in 2008, Qatar is expected to maintain a strong economic performance this year primarily due to its income from natural gas.
- The Commercial Bank of Qatar has disclosed preliminary financial statement revealing a net profit of QAR 1.70 bn as compared to QAR 1.40 bn in 2007.
- Qatar Meat & Livestock Trading Company (Mawashi) has announced the issuance of government directives, dated 18 January 2009, to merge Qatar Meat & Livestock Trading Company with Al Meera Consumer Goods Company.
- Qatar Insurance Company has disclosed that for the year ended 31 December 2008, the net profit level stood at QAR 510.80 mn in 2008 versus QAR 472.70 mn in 2007.
- Gulf Warehousing Company has announced that it has signed a memorandum of understanding concerning merger of Gulf Warehousing Company and Agility Qatar WLL.
- The United Development Company has reported a net profit of QAR 583.50 mn for the period ended 31 December 2008 as compared to QAR 339.6 mn in 2007.

## Sectoral Trends

Sector	31 Jan	31 Dec	%MTD	%YTD
General Index	5,253.03	6,886.12	-23.72	-23.72
Banking	7,866.83	10,319.72	-23.77	-23.77
Industry	4,889.13	6,491.25	-24.68	-24.68
Insurance	3,941.49	4,960.37	-20.54	-20.54
Services	3,594.71	4,660.29	-22.87	-22.87

- Qatar Real Estate Investment Company has announced the issuance of government directives to merge Qatar Real Estate Company with Barwa Real Estate Company. The move comes in line with the country's policy in investment to maximize higher return on investment in the Qatari shareholding companies while enriching the national economy and supporting the economic development in Qatar.
- Doha Insurance Company has reported a net profit of QAR 47.20 mn for the year ending 31 December 2008 as compared to the QAR 44.30 mn in the previous year.

## Gainers

Company	31 Jan	31 Dec	Change	%Chg
Al Ahli Bank	44.80	43.50	1.30	2.99

## Losers

Company	31 Jan	31 Dec	Change	%Chg
Qatar Shipping	23.00	37.50	-14.50	-38.67
Qatar Nat Bank	111.50	171.20	-59.70	-34.87
Al Khaleej Ins	24.20	37.10	-12.90	-34.77
Qatar Real Est	19.80	29.10	-9.30	-31.96
Qatar German Med	8.20	11.50	-3.30	-28.70

## Most Active by Volume

Company	Volume	CMP (QAR)	%Chg
Masraf Al Rayan	68,673,468	10.00	-9.09
Qatar Gas Trans	29,913,925	16.30	-24.54
Al Khalij Comm Bk	25,323,754	5.30	-25.87
Barwa Real Est	13,237,247	22.80	-24.75
Industries Qatar	11,039,500	73.60	-26.84

## Most Active by Value

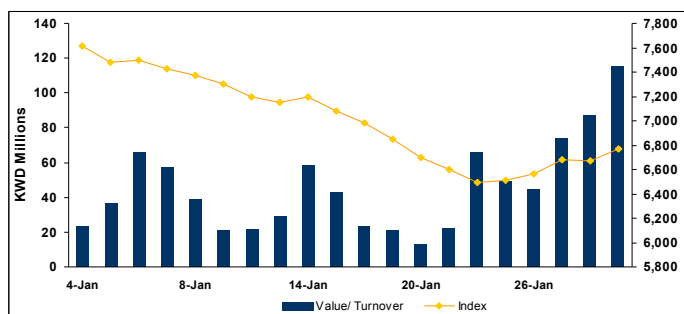
Company	Value (QAR)	CMP (QAR)	%Chg
Industries Qatar	811,871,539	73.60	-26.84
Masraf Al Rayan	663,292,210	10.00	-9.09
Comm Bk of Qatar	527,187,241	63.80	-27.75
Qatar Gas Trans	510,795,532	16.30	-24.54
Qatar Islamic Bank	382,194,049	73.10	-11.71



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# Kuwait Stock Exchange (KSE)

## KSE General Index



## Insight

The Kuwaiti index eroded 13.08% during the last month with all the sectoral indices ending in negative territory with weak investor sentiment grappling the market. The investment sector declined the most by 17.90% on continuous concerns over deep investment writedowns due to the ongoing global credit crunch. At one point the benchmark index eroded more than 16% during the month but cut its losses near month end on the news of a KWD 24 bn rescue plan being discussed by the government to minimize the effects of global financial crisis and give a boost to domestic lending.

## Recent News

- The Global Investment House; Saudia has become a duly licensed, approved and authorized member firm of Tadawul, with the right to conduct brokerage services and deal as principal and an agent in the Saudi Stock Exchange.
- Agility Public Warehousing Company announced that it has fully acquired Oy Nystrom and Company (Finland) for a total cost of EUR 2.25 mn.
- Al Enma'a Real Estate Company's AGM and EGM approved the distribution of 5% bonus shares on 29 January 2009.
- Equipment Holding Company sold 19.70% of its stake in Specialities Group Holding Company for a total value of KWD 7.26 mn, realizing a loss of KWD 0.08 mn to be reflected in the company's financial statements for the period ending 31 March 2009. The company now owns a 7.40% stake (11,175,000 shares) in Specialities Group Holding Company.
- Kuwait Gypsum Manufacturing and Trading Company's Board of Directors approved the distribution of KWD 0.015 per share cash dividend for the year ended 31 December 2008, which still awaits the general assembly's approval.
- Abyaar Real Estate Development Company has

Sector	31 Jan	31 Dec	%MTD	%YTD
<b>General Index</b>	<b>6,764.50</b>	<b>7,782.60</b>	<b>-13.08</b>	<b>-13.08</b>
<b>Banking</b>	<b>8,134.30</b>	<b>9,751.80</b>	<b>-16.59</b>	<b>-16.59</b>
<b>Insurance</b>	<b>3,127.70</b>	<b>3,316.30</b>	<b>-5.69</b>	<b>-5.69</b>
<b>Investment</b>	<b>6,131.30</b>	<b>7,475.60</b>	<b>-17.98</b>	<b>-17.98</b>
<b>Real Estate</b>	<b>3,026.70</b>	<b>3,448.10</b>	<b>-12.22</b>	<b>-12.22</b>
<b>Industrial</b>	<b>4,428.80</b>	<b>5,086.50</b>	<b>-12.93</b>	<b>-12.93</b>
<b>Services</b>	<b>13,387.50</b>	<b>15,413.60</b>	<b>-13.14</b>	<b>-13.14</b>
<b>Food</b>	<b>3,061.70</b>	<b>3,457.00</b>	<b>-11.43</b>	<b>-11.43</b>
<b>Non Kuwaities</b>	<b>7,424.80</b>	<b>7,910.10</b>	<b>-6.14</b>	<b>-6.14</b>

signed a memorandum of understanding with the Bank of Kuwait and Middle East to obtain Shariah complaint credit facilities to finance its future projects.

- Mobile Telecommunications Company announced that it is planning to acquire a 51% stake in Palestine Telecommunication Company's capital increase.
- National Bank of Kuwait's Board of Directors approved the distribution of 10% bonus shares for the year ended 31 December 2008, which awaits the general assembly's approval.

## Gainers

Company	31 Jan	31 Dec	Change	%Chg
<b>Villa Moda LifeStyle</b>	<b>0.240</b>	<b>0.154</b>	<b>0.086</b>	<b>55.84</b>
<b>Kuwait &amp; GulfLink</b>	<b>0.134</b>	<b>0.100</b>	<b>0.034</b>	<b>34.00</b>
<b>Kuwait Nat Airways</b>	<b>0.140</b>	<b>0.112</b>	<b>0.028</b>	<b>25.00</b>
<b>A'ayan Real Estate</b>	<b>0.124</b>	<b>0.100</b>	<b>0.024</b>	<b>24.00</b>
<b>Gulf Cement Co</b>	<b>0.204</b>	<b>0.170</b>	<b>0.034</b>	<b>20.00</b>

## Losers

Company	31 Jan	31 Dec	Change	%Chg
<b>Hits Telecom Hldng</b>	<b>0.128</b>	<b>0.300</b>	<b>-0.172</b>	<b>-57.33</b>
<b>Investment Dar Co</b>	<b>0.045</b>	<b>0.102</b>	<b>-0.057</b>	<b>-55.88</b>
<b>Intl Leasg &amp; Invstt</b>	<b>0.039</b>	<b>0.088</b>	<b>-0.049</b>	<b>-55.68</b>
<b>Global Invstt Hse</b>	<b>0.088</b>	<b>0.192</b>	<b>-0.104</b>	<b>-54.17</b>
<b>Jeezan Holding Co</b>	<b>0.025</b>	<b>0.048</b>	<b>-0.023</b>	<b>-47.92</b>

## Most Active by Volume

Company	Volume	CMP(KWD)	%Chg
<b>Gulf Finance House</b>	<b>286,430,000</b>	<b>0.244</b>	<b>0.00</b>
<b>Intl Inv Projects Co.</b>	<b>146,960,000</b>	<b>0.030</b>	<b>0.00</b>
<b>Mobile Telecom Co</b>	<b>142,465,000</b>	<b>0.780</b>	<b>-7.14</b>
<b>Al-Safwa Group Co</b>	<b>124,160,000</b>	<b>0.033</b>	<b>-31.25</b>
<b>Kuwait Finance Hse</b>	<b>120,160,000</b>	<b>1.180</b>	<b>-13.24</b>

## Most Active by Value

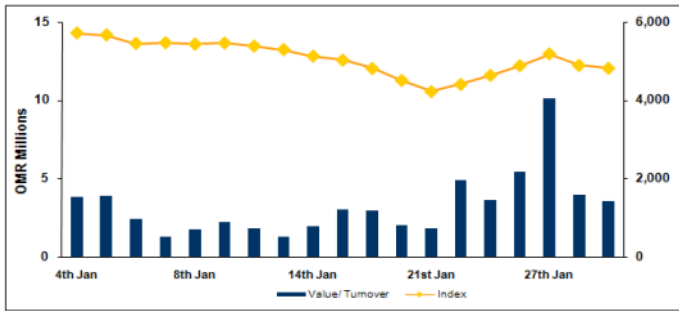
Company	Value (KWD)	CMP(KWD)	%Chg
<b>Kuwait Finance Hse</b>	<b>137,677,100</b>	<b>1.180</b>	<b>-13.24</b>
<b>Mobile Telecom Co</b>	<b>110,051,950</b>	<b>0.780</b>	<b>-7.14</b>
<b>Nat Bank of Kuwait</b>	<b>100,349,650</b>	<b>1.080</b>	<b>-8.47</b>
<b>Gulf Finance House</b>	<b>66,532,440</b>	<b>0.244</b>	<b>0.00</b>
<b>The Public Warehsg</b>	<b>46,839,100</b>	<b>0.670</b>	<b>6.35</b>



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# Muscat Stock Market (MSM)

## MSM General Index



## Insight

Due to weak investor interest, the MSM30 index declined by 11.53%, ending below the 5000 psychological levels. The losses were primarily led by the industrial sector which fell by 17.74% followed by banking and investment sector which declined by 14.88%. Al Jazeera steel company was the major loser with a fall of 53.79% closely followed by Oman cables falling by 43.08%. However, a short lived buying interest was witnessed during the last week of the month in anticipation of the Investment Stabilization Fund to start investing in the markets from the beginning of February.

## Recent News

- Bank Dhofar's Board of Directors proposed the distribution of 4.5% bonus shares and 15.5% cash dividends for the year ended 31 December 2008, which awaits the AGM's approval.
- Dhofar Insurance Company's Board of Directors proposed the distribution of OMR 0.01 per share cash dividend for the year ended 31 December 2008, which awaits the general assembly's approval.
- National Gas Company reported earnings of OMR 0.72 mn for the year ended 31 December 2008 down from OMR 0.75 mn for the previous period.
- National Hospitality Institute reported earnings of OMR 0.15 mn for the year ended 31 December 2008 down from OMR 0.20 mn for the previous period.
- United Finance Company's Board of Directors proposed the distribution of 6.91% bonus shares for the year ended 31 December 2008, which awaits the AGM's approval.
- Construction Materials Industries and Contracting approved the 100% rights issue of which the unsubscribed preferential shares will be covered through a private placement. On 28 January 2009 the company announced the effective and the subscription dates.

## Sectoral Trends

Sector	31 Jan	31 Dec	%MTD	%YTD
General Index	4,813.51	5,441.12	-11.53	-11.53
Banking & Investment	5,635.89	6,620.92	-14.88	-14.88
Industry	3,554.94	4,321.64	-17.74	-17.74
Service & Insurance	2,364.57	2,527.87	-6.46	-6.46

- Salalah Mills Company's Board of Directors met and approved the distribution of OMR 0.2 per share cash dividend for the year ended 31 December 2008, which awaits the general assembly's approval.
- Oman Cables Industry's Board of Directors proposed the distribution of OMR 0.02 per share cash dividend for the year ended 31 December 2008, which awaits the general assembly's approval.
- Bank Muscat proposed the distribution of the 20% cash dividend and 30 % mandatory convertible bonds with a 7% annual return.

## Gainers

Company	31 Jan	31 Dec	Change	%Chg
Global Fin Inv	0.136	0.117	0.019	16.24
Galfar Engg&Contr	0.534	0.463	0.071	15.33
Bank Dhofar	0.420	0.370	0.050	13.51
Oman Flour Mills	0.229	0.205	0.024	11.71
Gulf Int Chemicals	0.147	0.134	0.013	9.70

## Losers

Company	31 Jan	31 Dec	Change	%Chg
Al Jazeera Steel	0.122	0.264	-0.142	-53.79
Oman Cables Ind	0.510	0.896	-0.386	-43.08
Renaissance Srvc	0.429	0.620	-0.191	-30.81
Oman & Emirates	0.077	0.110	-0.033	-30.00
Raysut Cement	0.799	1.103	-0.304	-27.56

## Most Active by Volume

Company	Volume	CMP(OMR)	%Chg
Bank Muscat	17,020,232	0.673	-15.56
Galfar Engg&Contr	16,555,506	0.534	15.33
Renaissance Srvc	12,489,576	0.429	-30.81
Al Jazeera Services	10,764,578	0.050	-12.28
Nat Bank Of Oman	9,130,218	0.284	-22.19

## Most Active by Value

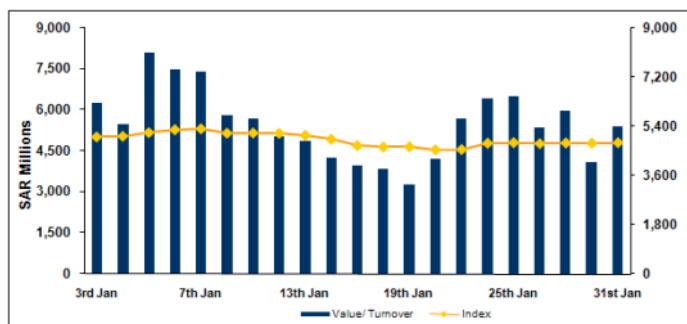
Company	Value (OMR)	CMP(OMR)	%Chg
Bank Muscat	12,095,791	0.673	-15.56
Oman Telecom	11,604,181	1.611	1.45
Galfar Engg&Contr	8,258,016	0.534	15.33
Renaissance Srvc	5,866,729	0.429	-30.81
Raysut Cement	3,267,210	0.799	-27.56



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# Saudi Stock Exchange (SSE)

## SSE General Index



## Insight

The SSE index ended the month of January with a marginal gain of 0.12%, led by the tourism and insurance sectors which climbed 17.34% and 13.01% respectively. The gains in the petrochemical sector was limited to 1.24% due to the poor fourth quarter results announced by the sector giant SABIC and the company's decision to scale back production of its steel and plastic products in light of the deteriorating world demand. The banking sector witnessed a revival in buying interest after SAMA cut its repo rate by 50 basis points to 2% and the reverse repurchase by 75 basis points to 0.75%.

## Recent News

- The SAR 300 mn initial public offering of Saudi Arabia's second fixed-line operator Etihad Atheeb Telecommunication Co. was oversubscribed in the first five days.
- The Arabian Ceramics Manufacturing Company, with a total production capacity of 7.80 million square meters of ceramics per year announced its IPO offering in January.
- Al Rajhi Bank, the Gulf's biggest bank, announced in January that its profits of SAR 1.40 bn had been depressed by higher provisions and almost 10% lower than a year earlier.
- SAMA reduced its benchmark repurchase rate by half a percentage point to 2%. This is the fourth such reduction since October in order to boost liquidity and encourage corporate lending.
- Banque Saudi Fransi's BOD has proposed the distribution of SAR 1 per share cash dividend for the year ended 31 December 2008.

## Sectoral Trends

Sector	31 Jan	31 Dec	%MTD	%YTD
Genl Index / TASI	4,808.90	4,802.99	0.12	0.12
Banks & Fin Svcs	13,381.01	13,595.73	-1.58	-1.58
Petrochemical Inds	3,210.32	3,170.95	1.24	1.24
Cement	3,111.24	3,055.25	1.83	1.83
Retail	3,647.26	3,733.01	-2.30	-2.30
Energy & Utilities	3,614.36	3,415.18	5.83	5.83
Agri & Food Inds	3,642.19	3,860.53	-5.66	-5.66
Telecm & Info Tech	1,661.44	1,646.50	0.91	0.91
Insurance	688.93	609.62	13.01	13.01
Multi-Investment	2,167.37	2,052.66	5.59	5.59
Industrial Inv	3,439.69	3,289.77	4.56	4.56
Bldg & Constrctn	3,787.37	3,920.35	-3.39	-3.39
Real Estate Dev	3,252.85	3,214.26	1.20	1.20
Transport	3,170.26	2,950.05	7.46	7.46
Media & Publishg	1,948.67	1,783.79	9.24	9.24
Hotel & Tourism	4,678.13	3,986.84	17.34	17.34

## Gainers

Company	31 Jan	31 Dec	Change	%Chg
Al Sagr Ins	25.20	12.10	13.10	108.26
TourismEnt(Shams)	31.90	15.55	16.35	105.14
SABB Takaful	61.75	33.30	28.45	85.44
Al Baha Inv & Dev	15.30	9.90	5.40	54.55
Food Prod Co	16.50	11.15	5.35	47.98

## Losers

Company	31 Jan	31 Dec	Change	%Chg
United Coop Assu	24.60	35.20	-10.60	-30.11
Malath Coop Ins	25.50	32.60	-7.10	-21.78
SAVOLA Grp	19.10	24.20	-5.10	-21.07
Saudi Paper Manu	60.25	74.25	-14.00	-18.86
Samba Fin Grp	42.10	51.25	-9.15	-17.85

## Most Active by Volume

Company	Volume	CMP (SAR)	%Chg
Alinma Bank	1,118,861,672	11.40	2.70
Saudi Mobile(ZAIN)	474,675,482	11.30	6.10
Emmar Eco City	438,770,160	8.90	-0.56
S Arabian Mining	324,745,282	11.50	7.98
Saudi Basic Ind	271,569,520	47.80	-7.18

## Most Active by Value

Company	Value (SAR)	CMP (SAR)	%Chg
Saudi Basic Ind	13,251,190,237	47.80	-7.18
Alinma Bank	12,956,195,143	11.40	2.70
Saudi Mobile(ZAIN)	5,323,960,802	11.30	6.10
Emaar Eco City	3,965,799,673	8.90	-0.56
S Arabian Mining	3,738,367,696	11.50	7.98

Please send your feedback to:

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